

PART IV. Worksheet 2. Assessment Period Projected Activity Summary

Applicant ABC Bank

Assessment Period: January 1, 2001 through June 30, 2001

	SERVICE ACTIVITIES
Deposit Activities (Worksheet 1, line 1)	Total deposits by residents of the Distressed Community at Distressed Community branch offices were \$3,608,749 as of 12/31/99 and \$4,502,517 as of 6/30/00. Thus, the increase in such deposits during the Baseline Period was \$893,768. Total deposits by residents of the Distressed Community at Distressed Community branch offices are projected to be \$5,310,248 at 12/31/00 and \$6,412,597 at 6/30/01, for an increase of \$1,102,349 during the Assessment Period. The difference of \$208,581 from the Baseline Period to the Assessment Period is projected to result from the opening of a new branch located in census tract number 4.01. ABC Bank geocodes its deposit accounts by customer address, which allows the bank to identify depositors that are located within the Distressed Community.
Financial Services (Worksheet 1, line 2)	The bank anticipates opening a new branch office within census tract 4.01 in April 1, 2001. The per unit value of the new branch is \$250,000. The bank will also install and operate an ATM at the same location. The per unit value of installing an ATM is \$25,000 and the per unit value of operating an ATM is \$2,500. Total Financial Service Activities are \$277,500. This is the first branch of ABC Bank to be located in census tract 4.01. The bank commits to operate the branch for at least five years. ABC Bank previously did not have a branch office or ATM in operation in the Distressed Community, so no activity is reported for the Baseline Period.
ETAs/IDAs (Worksheet 1, line 3)	The bank projects that it will open 300 ETA accounts with residents of the Distressed Community during the Assessment Period. For the purpose of ensuring the ETA's serve Low- or Moderate-Income residents of the Distressed Community, the bank multiplied the total number of ETAs (300) by the total percentage of Low- and Moderate-Income individuals residing in the census tract in which the bank branch where the ETA is located (67%, based on information from the CDFI Fund's Help Desk). Thus, the bank anticipates it will report \$10,050 in eligible ETA activities (300 total accounts times 0.67 = 201 accounts, times \$50 per account).
First Accounts (Worksheet 1, line 4)	The bank projects that it will open 50 accounts with residents of the Distressed Community during the Assessment Period. For the purpose of ensuring the Accounts serve Low- or Moderate-Income residents of the Distressed Community, the bank geocodes the addresses of its First Accounts customers. Thus, the bank anticipates it will report \$5,000 in eligible First Account activities (50 accounts times \$100.00 per account). (Documentation of the bank's First Account product features and marketing materials are attached).

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Community Services (Worksheet 1, line 5)	The bank will offer two workshops for business owners who operate small businesses that are located within the bank's Distressed Communities. Bank staff will verify the location of the business by address at the time of registration. Topics will include developing a business plan, strategic planning, and credit counseling. The bank contracted with an independent consultant to conduct the business and strategic planning sessions, and three bank loan officers will provide credit counseling in group and/or one-on-one sessions. The cost of engaging the consultant is \$7,000 (see attached estimate from a prospective consultant). The loan officers' pro-rata salary and benefit expenses at \$62.50 per hour per loan officer, for two-8 hour days is \$3,000. The bank will underwrite the cost of course materials estimated at \$2,600, the projected increase in activity. Total Community Services activities are \$12,600.
DEVELOPMENT ACTIVITIES	
Consumer Loans (Worksheet 1, line 8)	Not Reporting. ABC Bank does not geocode its consumer loans. In its Final Report, the bank will submit certification that it did not reduce its consumer loan activities within its Distressed Communities during the Assessment Period.
Single-Family Loans and Project Investments (Worksheet 1, line 9)	ABC Bank anticipates making 15 - 25 second mortgages totaling an estimated \$275,500 under our home repair loan program expected to be available beginning April 1, 2001. (The bank previously only offered first mortgages on single-family residences, but has curtailed its activity with this product). The loans will range from \$5,000 - \$25,000, with interest rates ranging from 9% - 11.5%, and maturities of up to 2 years.
Multi-Family Loans and Project Investments (Worksheet 1, line 10)	Not applicable, ABC Bank does not finance multi-family loans or projects.
Commercial Real Estate Loans and Project Investments (Worksheet 1, line 11)	Assessment Period activity represents ABC Bank's projected 10% participation in a \$3 million construction loan to renovate a strip shopping mall located in census tract number 4.03, in ABC Bank's designated Distressed Community. The terms of the loan (i.e., interest rate and maturity) are still being negotiated.
Business Loans, Agricultural Loans, and Project Investments [1] (Worksheet 1, line 12)	ABC Bank anticipates making 10 - 20 loans to businesses for the purposes of financing working capital, accounts receivable, or inventory purchase totaling an estimated \$975,000. The loans will range from \$10,000 - \$100,000, with an interest rate of bank Prime + 3%, with maturities of 1 - 3 years.

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Business Loans, Agricultural Loans, and Project Investments [2] (Worksheet 1, line 13)	ABC Bank anticipates making loans totaling \$375,000 to two businesses located within ABC's designated Distressed Community. The first loan, for \$250,000 to finance the buy-out of existing partners in a large graphic printing company, will have an interest rate of bank Prime + 3%, and a 5 year maturity. The second loan, for \$125,000 to finance equipment purchase(s) for a dry cleaning business, will be at Prime + 3.5%, with a 3 year maturity. Both businesses are located in census tract 4.01.
Business Loans, Agricultural Loans, and Related Project Investments [3] (Worksheet 1, line 14)	ABC Bank anticipates making a permanent working capital loan totaling \$625,000 to a grocery store. The store is located in census tract number 4.03, one of ABC Bank's designated Distressed Communities, and is the only major grocery chain located within the city. The loan will have an interest rate of bank Prime + 2.5%, subject to annual review.
CDFI RELATED ACTIVITIES	
Equity Investments (Worksheet 1, line 18)	ABC Bank will make a \$25,000 grant to the Us Too Community Development Fund, which has applied to the CDFI Fund for certification.
CDFI Support Activities (Worksheet 1, line 19)	<ol style="list-style-type: none"> 1) ABC Bank will make a \$100,000 deposit into the Southend Federal Credit Union, which is a certified CDFI. The deposit will be in the form of a certificate of deposit, with a 3-year maturity. The interest rate has yet to be determined, but will be "materially below" the market rate. 2) ABC Bank will make a \$100,000 loan to the XYZ Community Loan Fund at 5% with a 2-year maturity. XYZ is not a certified CDFI, but anticipates applying to the CDFI Fund for certification.